



Local Finance Update

2018 Spring Fiscal Workshops

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Agenda

- FY18 year-end information (including ePlan information)
- FY19 outlook
- FY19 BEP updates and allocations
- Alternative schools
- School safety grant
- Per pupil expenditures by school for FY19
- Questions

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**FY18 year-end
information**

Career Ladder Payments

- Career Ladder final payment
 - To be made by mid-May.
 - Actual FY18 data from TNCompass will be used.
 - Career Ladder endorsements are now displayed in TNCompass.

ConnecTN Payments

- ConnecTN
 - \$2.6 million available for district connectivity
 - Based on ADMs funded in the FY18 BEP
 - \$2.65 per funded ADM
 - Will be paid in May to all districts
 - Consortium from previous years has been dissolved – all districts will receive these funds through ePlan

Driver's Education

- Driver's Education Funds
 - Funded through traffic fines – we receive funds two months in arrears
 - Approximately \$1.4 million available
 - Student count taken from EIS – students scheduled for the course code for Driver's Ed
 - Will be paid in early June

\$200 per teacher (BEP funds)

- Full \$200 now to be distributed to teacher – pooling requirement was eliminated beginning July 1, 2017
- New requirement – unspent funds to be carried over into the following year
- Pooling is allowable ***provided*** it is voluntary

Transportation

- Transportation data is submitted via three reports
 - Average Daily Transportation (ADT) report
 - Bus Query
 - Transportation Employees
- ADT report should be reviewed and acknowledged on the attendance website by the 15th of each month.
- Final reports are due July 15.
- All data taken from EIS.

Early Graduates

- Use Code 12 in EIS
 - This is the same code as used in prior years for early graduates
 - These students will be included in ADM count for funding for the full year
 - This removes early graduation funding penalty
 - Be sure students are coded correctly
 - This will **not** affect attendance or graduation rates

Individual Education Account (IEA)

- Students with specific disabilities are withdrawn from public school
 - 86 in August
 - 78 in April
- The student's share of BEP funding (state and required local match) is distributed to the student
- This share is deducted in June from the LEA in which the student was previously enrolled
- Correct students classification and course code keep the student enrolled for funding purposes only (need both in EIS)
 - Classification code 8
 - Course code 9696

Growth Funds

- Growth Funds
 - \$37 million appropriated for growth in FY18
 - Will fund approximately 100% of growth
 - Calculated near the end of June
 - Will be paid on June 30
 - Adjustments will be made to initial estimate
 - Balance of growth payment will be made based on actual ADMs reported in FY18
 - Funds may be recouped from final BEP payment if ADMs changed and growth is no longer earned or is less than first payment
 - Notification will be sent to directors of schools and finance directors of systems receiving growth payments

June BEP payment

- Remember – no payment in May
- Split in month of June
 - 75% on June 15
 - 25% on June 29
- June 30 payment will include any adjustments for recouped growth funds, IEA students or Knox County STEM School students
- May have to accrue final payment if not received by June 29

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Year-end in ePlan

Reimbursement Requests at year-end

- Allow enough time for year-end reimbursement requests to process, especially for federal funds, to avoid a negative cash situation at year-end
- Five to seven business days from date of approval by Local Finance/Local Disbursements
- Recommended last day to submit if funds needed by June 29
 - Requests that do not require documentation – June 20
 - Requests that require documentation – June 15

Year-end Reporting

- All year-end reporting will be in ePlan for FY18
- Expenditure Report (FER) is due August 1 for ALL funds and grants
 - State Funds (all funds)
 - All individual federal grants that are in ePlan
 - All individual state grants (Safe Schools, Coordinated School Health, Voluntary Pre-K, Family Resource Center, LEAPS) that are in ePlan
- Year-end reporting will open in ePlan July 1, 2018

Year-end Reporting – Reminders

- A final revised/amended budget for all grants must be submitted and approved to reflect final budgets on your general ledger, including State Funds budgets
- Budgets must be in approved status in order to begin the final expenditure report (FER)
- Please have your budget revisions completed and approved before your fiscal consultant arrives to assist with the FERs
- Revised budgets do not have to match final expenditures exactly

Year-end Reporting – Reminders

- In order to manually key FER data, there must be at least \$1 budgeted in the line item; if not you will have to either:
 - Upload the FER data, or
 - Do a budget revision to open the line item, then manually enter the data
- Examine your data before beginning upload the final revised budgets in order to ensure the ability to upload data.
- Include USDA commodities in Fund 143 revenue and expenditures.

Year-end Reporting – Reminders

- Be sure to complete a FER for each grant.
- Actual Revenue
 - Do **not** include equity on the Actual Revenue report

Actual Revenue

State Funds - Rev 2 - 141 - General Purpose

Go To

Account - Account Description ([Expand All](#) [Collapse All](#))

- + 31000 - End of Year Equity (Reserve)
- + 40400 - County Taxes
- + 40800 - City/SSD Taxes
- + 41000 - Licenses and Permits
- + 43000 - Charges for Current Services

Year-end Reporting – Reminders

- Actual Expenditures
 - Report year-to-date expenditures plus any encumbrances
 - In State Funds, reported expenditures may exceed approved budget by any amount
 - In all other grants, reported expenditures may not exceed the approved budget by more than ten percent (10%) by line item – otherwise a budget revision is required before the FER can be completed
 - Check to see if any line items are exceeded by more than ten percent (10%) before you begin the FER

Year-end Reporting – Reminders

- Balance Sheet

- Assets
- Liabilities
- End of year reserves
- Beginning of year reserves
 - Make adjustments to beginning of year reserves on this page
 - Audit adjustments, purchase orders closed for different amounts or cancelled, prior year adjustments

Year-end Reporting – Reminders

- Adjustments to beginning of year reserves

Beginning of Year Reserves

Account	Account Description	Amount	Adjustment	Total
342101	Endowments	0.00	0.00	\$0.00
342201	Inventory	0.00	0.00	\$0.00
342301	Long-term Notes Receivable	0.00	0.00	\$0.00
342401	Prepaid Expenses	0.00	0.00	\$0.00
345551	Restricted for Education	116,861.00	13,447.00	\$130,108.00
345601	Restricted for Instruction (Career Ladder)	0.00	0.00	\$0.00
345651	Restricted for Support Services	0.00	0.00	\$0.00
345701	Restricted for Operation of Non-Instructional Services	0.00	0.00	\$0.00
345751	Restricted for Capital Outlay	0.00	0.00	\$0.00
345801	Restricted for Debt Service	0.00	0.00	\$0.00
345851	Restricted for Capital Projects	0.00	0.00	\$0.00
345901	Restricted for Other Purposes	0.00	0.00	\$0.00
346551	Committed for Education	4,000.00	0.00	\$4,000.00
346601	Committed for Instruction	0.00	0.00	\$0.00
346651	Committed for Support Services	0.00	0.00	\$0.00
346701	Committed for Operation of Non-Instructional Services	0.00	0.00	\$0.00

Year-end Reporting – Reminders

- FER Summary Report 1
 - Verifies that assets equal liabilities plus reserves and fund balance

FER Summary Report 1

State Funds - Rev 2 - 141 - General Purpose

Go To

Account	Account Description	Amount
11000	Total Assets	\$21,370,088.00
31000	Liabilities Reserves and Fund Balance	\$21,370,088.00

Year-end Reporting – Reminders

- FER Summary Report 2
 - Auto populates from FER
 - Verifies that:
 - Grand Total Available Funds
is equal to
 - Total Expenditures/End of Year Reserve/Fund Balance
- Beginning fund balance on FER report should equal the beginning fund balance on your general ledger; if not work to resolve any discrepancies

Year-end Reporting – Reminders

FER Summary Report 2

State Funds - Rev 2 - 141 - General Purpose

Go To

Funds

Account	Account Description	Amount
300001	Beginning of Year Reserves and Fund Balance	\$8,465,081.26
47999	Total Operating Revenues	\$73,636,636.70
48000	Total Other Revenue	\$1,040,000.00
49000	Total Other Sources	\$50,000.00
49999	Total Revenues	\$74,726,636.70
Grand Total Available Funds:		\$83,191,717.96

Expenditures

Account	Account Description	Amount
70000	Total Operating Expenditures	\$67,863,594.90
73300	Total Community Services	\$319,895.22
73400	Total Childhood Education	\$1,286,713.39
76100	Total Regular Capital Outlay	\$4,288,997.61
80000	Total Debt Service	\$0.00
91300	Total Education Capital Projects	\$0.00
99100	Total Transfers / Other Uses	\$3,327.61
99999	Grand Total Expenditures	\$73,762,528.73
30000	End of Year Reserves and Fund Balance	\$9,429,189.23
Total Expense / End of Year Reserve / Fund Balance:		\$83,191,717.96

Year-end Reporting - Reminders

- Fund 142 reporting – used for FER only
- A “roll-up” for all grants in fund 142 is found in ePlan under the State Funds section
 - All 142 grants added together
 - Facilitates state and federal reporting and ensures that all grants are captured and none are double-counted

Other Year-end Reports

- Expenditures by Other Agencies
 - Record expenditures made by other government agencies for the benefit of the schools
 - Enter by function code (71100, 71200, etc.)
 - Examples
 - School Resource Officers paid by county sheriff department or city police department
 - Capital projects paid by county general (roof replacement, HVAC replacement, school bus purchase)
 - Please fill this in

Other Year-end Reports

- Expenditures for School Indebtedness
 - Resembles a statement of expenditures for debt
 - Enter total principal and interest paid on debt
 - Enter total amount paid **by** the schools **directly to** creditors
 - Enter total amount paid **by** schools **to** local government agency
 - Enter this information for all types of debt listed
 - ePlan will total automatically

Other Year-end Reports

Expenditures for School Indebtedness

- State Funds - Rev 2 - Other Year-End Reports

Go To

	BD - Bonded Debt	CL - Capitalized Leases	LP - Other Loans Payable	NP - Notes Payable	Total
51050 - School Principal Paid/Retired on Bonds/Notes	12,013,629.00	0.00	0.00	0.00	\$12,013,629.00
51060 - Interest Paid on School Bonds/Notes	7,107,367.50	0.00	0.00	0.00	\$7,107,367.50
51090 - Total Amount Paid from Schools to Creditors	0.00	0.00	0.00	0.00	\$0.00
510901 - Total Amount Paid from Schools to Primary Government	0.00	0.00	0.00	0.00	\$0.00
51000 - School Debt Expenditures Paid by Local Non-Educational Agencies	\$19,120,996.50	\$0.00	\$0.00	\$0.00	\$19,120,996.50

Other Year-end Reports

- School Indebtedness
 - Beginning balance of debt as of July 1, 2017
 - Principal paid down/retired during FY18
 - New bonds or notes issued in FY18
 - Ending balance of debt as of June 30, 2018
- Record debt held by the school district or by the local government
- Principal paid on this report should equal the principal payments reported on the Expenditures for School Indebtedness Report

Other Year-end Reports

School Indebtedness

- FY 2016 - State Funds - Rev 2 - Other Year-End Reports

Go To

	BD - Bonded Debt	CL - Capitalized Leases	LP - Other Loans Payable	NP - Notes Payable	Total
51010 - School Debt Outstanding - 7/1	167,895,787.00	0.00	0.00	0.00	\$167,895,787.00
51020 - School Principal Paid/Retired on Bonds/Notes	12,013,629.00	0.00	0.00	0.00	(\$12,013,629.00)
51030 - New Bonds/Notes Issued	0.00	0.00	0.00	0.00	\$0.00
51040 - Net Indebtedness for Schools - 06/30	\$155,882,158.00	\$0.00	\$0.00	\$0.00	\$155,882,158.00

Other Year-end Reports

- Non-centralized Cafeteria
 - Only for those systems without centralized cafeteria reporting
 - Report:
 - Total cafeteria expenditures
 - Cafeteria equipment expenditures
 - Non-centralized commodities
 - All other systems will report school nutrition revenue and expenditures in Fund 143

Other Year-end Reports

Non Centralized Cafeteria

- State Funds - Rev 4 - Other Year-End Reports

Go To

	Amount
81000 - Total Cafeteria Expenditures	600,413.01
82000 - Cafeteria Equipment Expenditures	15,676.30
84100 - USDA Non-Centralized Commodities	3,750.18
85000 - Net Cafeteria Expenditures	\$588,486.89

Other Year-end Reports

- Student Activity Funds

- Report General Fund revenue and expenditures
- Report Restricted Fund revenue and expenditures
- Report Board allocations to General and/or Restricted Funds
 - These are funds transferred from the School General Purpose Fund to individual school activity fund accounts
 - Example is the \$200 per teacher required by the BEP that many districts transfer to the schools

Other Year-end Reports

Student Activity Funds

- State Funds - Rev 4 - Other Year-End Reports

Go To

	Amount
87000 - General Fund Income Per School Books	61,280.68
87100 - General Fund Income BOE Allocations	70,200.00
88000 - General Fund Expenditures Per School Books	58,533.32
89000 - Restricted Fund Income Per School Books	548,853.58
89100 - Restricted Fund Income BOE Allocations	70,200.00
90000 - Restricted Fund Expenditures Per School Books	578,039.68

Other Year-end Reports

- Tuition
 - Report tuition paid to an out of state school district
 - Only applies to one district in Tennessee in FY16

Tuition

- State Funds - Rev 2 - Other Year-End Reports

Go To

Amount

77000 - Tuition Paid to Out of State LEAs



37,358.00

State Funds Checklist

- A checklist will be used again this year in FER review to facilitate any changes that may need to be made prior to state approval
- If FER is returned from fiscal consultant or state, refer to checklist for comments on what needs to be reviewed and/or revised

State Funds Checklist

- Link is at very bottom of State Funds Sections page

<u>Related Documents</u>	
	Other Year-End Reports
	<u>Expenditures by Other Agencies</u>
	<u>Expenditures for School Indebtedness</u>
	<u>School Indebtedness</u>
	<u>Non Centralized Cafeteria</u>
	<u>Student Activity Funds</u>
	<u>Tuition</u>
	<u>Career Ladder</u>
	<u>PIRS End of Year Assurance</u>
	State Funds Checklist
	<u>State Funds Checklist</u>
	All

State Funds Checklist

- Checklist is similar to those used in other ePlan applications – Consolidated Funding Application, Carl Perkins

Checklist Description (Collapse All Expand All)



1. Fund 141 - General Purpose

Consultant Reviewed ▼

Robert Mynhier

9/6/2017 12:54:45
PM

1. No reserve amounts are reported on the Actual Revenue page.
2. All necessary adjustments to Beginning Fund Balances have been made.

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FY19 Outlook

FY19 State Budget

- Governor's proposed budget approved by the legislature
- Total department of education budget - \$6,245,014,200
 - State funds - \$5,001,000,000 79.8%
 - Federal funds - \$1,136,000,000 18.1%
 - Other sources - \$ 133,303,200 2.1%
- BEP budget for FY19 - \$4,729,245,000
- 96% of department revenue is passed through to districts

FY19 State Budget

- Other budget items:
 - \$15 million for Coordinated School Health
 - \$3 million for Family Resource Centers
 - \$85 million for Voluntary Pre-K
 - Unchanged from current year

- Safe School allocation proposed to be increased significantly (addition of \$30 million to current allocation) – will be discussed in separate section

FY19 State Budget

- Other budget items:
 - State Priority Schools Improvement Grants \$10 million
 - Charter Schools Facilities Fund \$6 million
 - Read to be Ready (Coaching) \$4.4 million
 - Principal Leadership \$1.8 million

FY19 State Budget

- Reduction to education budget
 - Two-year phase out of the ConnectTN subsidy for internet connectivity
 - Reduction of \$1.6 million in FY19
 - Total phase out in FY20

FY19 State Budget

- Salary Equity Funds
 - Remain at \$14.5 million
 - Same districts will receive the same amount as in FY18
 - Must be used to increase the salaries of existing positions – may not be used to fund newly created positions

FY19 State Budget

- Charter Authorizer Fee

- FY19 is first year that this fee may be collected by the authorizing district (ASD is the exception)
- Fee calculated as the lesser of
 - 3% of the annual per student state and local allocations OR
 - \$35,000 per school
- Revenue code 43548 has been assigned to this revenue source

FY19 State Minimum Salary Schedule

- The State Board must approved the minimum salary schedule
- There will be a special called meeting in May to consider an increase to the schedule
- Expect the minimum salary schedule to increase
- If your salaries do not meet the new minimums, you will be required to increase them to at least the minimum
 - The department has estimated the cost and number of districts that may be affected
 - Factor this into your district budget preparation – General Purpose and federal.

FY19 State Minimum Salary Schedule

- No prescribed across the board increases for certified staff
- Districts have flexibility to use additional salary dollars for:
 - Steps increases for teachers
 - Salary schedule increases
 - Bonuses
 - Differentiated pay
 - New positions
- Must only meet minimum salaries on state salary schedule

The logo for the Tennessee Department of Transportation (TNDOT) features the letters "TN" in a white, bold, serif font, centered within a solid red square. Below the red square is a thin, horizontal blue bar.

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FY19 BEP Formula - Updates and Allocations

FY19 BEP Improvements

- BEP as calculated will be funded, with improvements
- Total additions to BEP in FY19 - \$185 million
 - \$55.1 million for salaries
 - \$48.8 million for enrollment increases and unit cost inflation
 - \$22.2 million for increase in TCRS contribution rate
 - 10.46% (legacy rate) effective July 1, 2018
 - 9.00% (hybrid rate) effective July 1, 2018
 - \$18 million for current year growth – total \$37 million

FY19 BEP Improvements

- Total additions (continued)
 - \$17.3 million for annualized January 1, 2018 medical insurance premium increase
 - \$10.5 million for medical insurance premium increase
 - Estimated at 5.0% in the aggregate
 - Effective January 1, 2019
 - \$13.3 million - Response to Intervention positions
 - Funded at 1:2,750 ADMs
 - Minimum of 1 position per district

FY19 BEP – Other Notes

- Cost Differential Factor (CDF)
 - Remains at 20% in FY19 budget
 - Affects 15 districts in FY19

BEP Allocations

- April estimate sent out April 20
- This is a *preliminary* estimate - guaranteed to change before the July final allocations are calculated in July
- Estimates will be also be sent in May and June
- July Final will be sent out in early July

BEP Allocations - ADMs

- April estimate was based on months 2, 3 and 6
- Please check ADMs – compare your student information system information with EIS
 - Regular ADMs
 - Special education ADMs
 - Career and Technical ADMs
 - At-risk
- Check Data Reports or EIS website to be sure that your data is transferring correctly to EIS

BEP Allocations – At-risk

- At-risk
 - No longer using free and reduced price lunch data
 - At-risk data taken from EIS
 - At-risk students are those who are:
 - Direct certification (code J)
 - Homeless (code H)
 - Migrant (code I)
 - Runaway (code U)
 - Foster (FOS01)
 - Check with your school nutrition program to be sure direct certification data has been correctly entered into EIS
 - Count **as of October 1, 2017** will be used in BEP

BEP Allocations – At-risk

- How the at-risk numbers flow into EIS:
 - A list of direct certification students is sent to TDOE school nutrition from DHS and DCS.
 - The lists are shared with attendance personnel for entry into local student information systems (SIS).
 - Local school districts identify additional students as homeless, migrant or runaway and enter appropriate codes into SIS.
 - The information from the district's SIS package is uploaded to EIS.
 - Local Finance pulls information from EIS for funding through the BEP.

BEP Allocations – At-risk

- Matching names from the school nutrition master list with your database can be challenging
 - USDA has provided some best practices for matching that may be helpful
 - Define 5 or 7 data points – if 5 of 7 match, then student may be considered a match for coding as at-risk
 - Districts may email DHS if they believe that students are not accurately included in the data from DHS

BEP Allocations – Minimum Funding

- Minimum Funding

- Combines and **replaces** baseline and stability
- Greater of
 - What is generated for current year or
 - What was generated in FY16 plus mandatory increases for instructional salaries and benefits
- NOTE: FY16 amount will be adjusted for loss of ADMs
 - FY16 BEP formula is re-run using current year ADMs for districts experiencing a decrease in enrollment
 - Avoids funding students who are no longer enrolled
 - Adjustments to staffing/budget need to be made for the upcoming year in anticipation of reduced funding

BEP Allocations – Minimum Funding

- Minimum Funding (continued)
 - Cumulative mandatory increases for instructional salaries and benefits are added to the adjusted FY16 generated amount
 - Will be noted on BEP allocation sheet and added to BEP generated amount

BEP Allocations – Minimum Funding

Classroom Funding

Total Full Funding - Classroom			\$2,293,000
Less: Required Local Matching Funds 14.67%			336,000
State Share of Classroom Funding 85.33%	✓	(3)	\$1,957,000

Non-Classroom Funding

Total Full Funding - Non-Classroom			\$5,076,000
Less: Required Local Matching Funds 26.55%			1,348,000
State Share of Non-Classroom Funding 73.45%	✓	(4)	\$3,728,000

Total State BEP Funding Allocation (1) + (2) + (3) + (4) **\$12,964,000** ✓(5)

Plus Additional Minimum Funding **\$213,000**

BEP Allocation is Minimum Funding Provision **\$13,177,000**

BEP – Weighted Average Salary Data

- Weighted average salary data from FY17 displayed on BEP allocation sheet
 - Statewide weighted average salary
 - System weighted average salary
- If system weighted average salary is **less** than the statewide weighted average, new instructional salary funds must only be used for salary and wages
- Amount of new instructional funding that must be used for salaries is shown on the BEP allocation sheet

BEP – Required Instructional Salary Increase

Additional Information

Student Counts (Weighted average of months 2,3,6, and 7)	2017-18	2016-17
Total ADMs	7,100	7,177
Career and Technical ADMs Served	524	523
Special Education ADMs Identified and Served	1,576	1,629
 System FY17 Weighted Average Salary	 \$40,548	
Statewide FY17 Weighted Average Salary	\$44,024	
Required Instructional Salary Budget Increase	\$295,000	
 IEA Program - estimated per pupil amount	 \$7,351	

BEP – Weighted Average Salary Data

- If system weighted average salary is **greater** than the statewide weighted average, new instructional salary funds may be used for salary, wages **and** benefits
- Amount of new instructional funding that must be used for salaries is shown on the BEP allocation sheet
- Zero means only that the new funding is not designated only for salaries, but may also be used for benefits, NOT that no instructional increase is required

BEP – Required Instructional Salary Increase

Additional Information

Student Counts (Weighted average of months 2,3,6, and 7)	2017-18	2016-17
Total ADMs	29,199	28,962
Career and Technical ADMs Served	1,590	1,587
Special Education ADMs Identified and Served	6,109	6,241
System FY17 Weighted Average Salary	\$44,732	
Statewide FY17 Weighted Average Salary	\$44,024	
Required Instructional Salary Budget Increase	\$0	
IEA Program - estimated per pupil amount	\$7,134	

BEP – Required Local Match

- Minimum amount of local funding that must be budgeted in order for the district budget to be approved
 - Required local match is shown on BEP allocation sheet.
 - The current local contribution has been added to the allocation sheet for comparison.
 - If the current local contribution is less than the required local match, additional local funding must be appropriated.
 - NOTE: The required local match will not be final until the July allocation is calculated; however the estimated amount may be used to determine if additional local funding will be required.

BEP – Required Local Match

- Example that needs additional local funding

Total State BEP Funding Allocation (1) + (2) + (3) + (4) **\$4,106,000** (5)

Total Required Local Matching Funds 1,304,000 (6)

FY18 Local Contribution
1,207,000

Total BEP Funding - State and Local \$5,410,000 (5) + (6)

BEP – Required Local Match

- Example that does not need additional local funding

Total State BEP Funding Allocation	(1) + (2) + (3) + (4)	\$12,983,000	(5)
Total Required Local Matching Funds		3,454,000	(6)
Total BEP Funding - State and Local		\$16,437,000	(5) + (6)
			FY18 Local Contribution
			4,595,910

BEP – Required Local Match

- The required local match amount will again be in ePlan on the MOE test page.
 - Validation will compare the required local match to the budgeted local revenue.
 - If budgeted local revenue is not at least equal to the required local match amount, a validation error will be given, and the budget will not be approved.
 - The required local match amount will also appear on BEP allocation sheet.

BEP – Maintenance of Effort Test

- The Maintenance of Effort (MOE) test is in ePlan.
 - If a budget does not pass the MOE test, the budget cannot be approved at district level.
- Budgeted local revenue must be at least equal to prior year's amended budgeted local revenue
 - Exceptions
 - Capital outlay or debt service specifically appropriated
 - Loss of ADM
- Amending local revenue up during the year increases your maintenance of effort for the following year

Maintenance of Effort Test

State Funds - Rev 1 - 141 - General Purpose

Save And Go To ▶

Show Unbudgeted Accounts

Account	Account Description	Budget 2017-2018	Amended Budget 2016-2017
40110	Current Property Taxes	\$14,332,500.00	\$13,827,630.00
40120	Trustee's Collections - Prior Year	\$380,000.00	\$380,000.00
40130	Curcuit Clk./Clk. & Master Coll. - Prior Yrs.	\$330,000.00	\$330,000.00
40140	Interest & Penalty	\$70,000.00	\$70,000.00
40161	Payments in Lieu of Taxes - T.V.A.	\$0.00	\$1.00
40163	Payments in Lieu of Taxes - Other	\$0.00	\$1.00
40210	Local Option Sales Tax	\$17,000,000.00	\$17,000,000.00
40275	Mixed Drink Tax	\$150,000.00	\$150,000.00
40320	Bank Excise Tax	\$50,000.00	\$50,000.00
40350	Interstate Telecommunications Tax	\$2,000.00	\$2,000.00
	Total County Taxes	\$32,314,500.00	\$31,809,632.00
41110	Marriage Licenses	\$5,000.00	\$5,000.00
	Total Local Revenue per School Records	\$32,319,500.00	\$31,814,632.00
Capital Outlay	(Less) Local revenue increases for Capital Outlay	0.00	0.00
Debt Service	(Less) Local revenue increases for Debt Service	0.00	0.00
+	Total Adjusted Local Revenue	\$32,319,500.00	\$31,814,632.00
	Local Match Adjustment	0.00	
	Revised Total Adjusted Local Revenue	\$32,319,500.00	
	Required Local Match	\$28,073,000.00	

Maintenance of Effort Test Met
Required Local Match Test Met

3% Fund Balance Test

- The 3% Fund Balance test is in ePlan.
 - If a budget does not pass the 3% fund balance test, the budget cannot be approved at district level.
 - Only a requirement **if** you are using part of the fund balance in your budget
 - If you are budgeting any of your reserves, then the fund balance must be at least 3% of budgeted operating expenditures after the budget is prepared

3% Fund Balance Test

3% Fund Balance Test

- State Funds - Rev 1 - 141 - General Purpose

Go To 

1	Grand Total of Budgeted Expenditures - General Purpose School Fund	\$89,667,741.00	
2	(Less) Total Estimated Revenue and other Sources - General Purpose School Fund	<u>\$85,778,289.00</u>	
3	Difference		\$3,889,452.00
4	34555	\$32,694.00	
	34560	<u>\$1,665.00</u>	<u>\$34,359.00</u>
5	Beginning Fund Balance Budgeted for Any Education Purpose		<u>\$3,855,093.00</u>
6	Beginning Undesignated Fund Balance		\$9,579,082.00
7	Total Operating Expenditures	\$86,713,081.00	
8	3% of Total Operating Expenditures	<u>x 3 %</u>	<u>\$2,601,392.43</u>
9	Amount of Fund Balance Available to be Budgeted for Any Education Purpose		<u>\$6,977,689.57</u>

Test Met

FY19 State Funds Budget in ePlan

- FY19 budget for all state funds is due in ePlan August 1
 - Include all funds (cafeteria, transportation, debt service, etc.)
 - District level approvals needed by fiscal representative and authorized representative (e.g., director of schools), board chair and county clerk/fiscal agent
 - Budgets will be reviewed at state level to ensure all requirements are met
 - Budget will then be approved at state level

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Alternative Schools

Alternative Schools/Programs

- Districts offer alternative programs in different ways
 - Separate school with school number and principal
 - Program operated within an existing school
- Current discussion centers around where students are to have their primary enrollment
 - School of origin OR
 - Alternative school (if separate school)
- Impacts of enrollment options
 - Impacts funding for school based positions
 - Impacts test provisioning and test results
- Further guidance is forthcoming from TDOE



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Juvenile Detention Centers

Juvenile Detention Centers

- 17 facilities across the state
- Students are remanded there by court order
- Beginning FY19 EIS will establish codes for these students to track where they are remanded
- BEP funds will shift from home district to district in which the facility is located and which is responsible for educating the student
- Logistics to be determined – will be communicated when finalized

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School Safety Grant

School Safety Grant Background

- Governor Haslam appointed a **multi-disciplinary task force to review current school safety practices** in Tennessee schools and provide recommendations for practical, **immediate actions** that could be implemented to improve the safety of students and staff.
- The task force was comprised of legislators, educators, law enforcement officers, school-level personnel and mental health professionals.

School Safety Grant Background

- The task force provided the governor with **both immediate priorities** as well as **additional recommendations**.
 - Governor approved recommendations
 - Directed TN Department of Safety, Homeland Security, TN Department of Education and local officials to begin working on the first of the immediate priorities.

Immediate priorities

- 1. Review and assess all school facilities** to identify vulnerabilities and determine the most appropriate use of resources to address those vulnerabilities.
- 2. Increase available resources to help provide school resource officers (SROs)** with an initial focus on schools and districts with lower ability to fund at the local level.
- 3. Develop or procure a statewide technology application** for the anonymous reporting of threats and critical concerns.

School safety funding

- Governor Haslam has recommended an **additional \$5.2 million** in recurring funds for the Safe Schools grant program. This was approved, resulting in a **total of \$10 million** in recurring funding for Safe Schools grants.
- Governor Haslam has also recommended **\$25 million in one-time funds** to assist districts in addressing immediate security concerns identified via the statewide security and risk assessment process.
- The General Assembly approved both of these recommendations for the FY 19 budget.

Safe schools grant requirements

- Each LEA may apply for a Safe schools grant.
 - Completion of an assessment for every school in a district will be a **pre-condition** for school safety funding.
 - Grant funding will be available to each LEA in the same percentage that the LEA's share of BEP funding bears to statewide BEP funding.
 - Funding is subject to an average 25% match (classroom component) by the LEA, which is adjusted for the LEA's fiscal capacity.
 - The match requirement may be satisfied by local or contributed funds, by personnel or other in-kind expenses assumed by the LEA or community.

Statewide security and risk assessment

- A core element of of the recommendation for improving the safety of Tennessee schools is the implementation of a **statewide security and risk assessment of every public school in the state.**
- The assessment will be built **around standards established by the U.S. Department of Homeland Security** as well as applicable federal and state law.
- Areas that will be reviewed include **access control, physical environment (lighting, fencing, signage, etc.) as well as procedural and personnel concerns.**

Security and risk assessment details

- Security and risk assessments will be conducted by a **two-person review team** consisting of one school reviewer and one law enforcement reviewer assigned locally.
- Training for reviewers will be conducted across the state by Tennessee Department of Safety and Homeland Security officers throughout the month of May. Training is anticipated to be approximately **four hours in length**.
- Security and risk assessments are expected to require **2-3 hours per school to complete**.

Security and risk assessment details

- Security and risk assessments are an element of emergency response planning and **will be confidential**.
- Funding is not dependent upon meeting standards. The purpose of the security and risk assessment **is to identify vulnerabilities and opportunities for improvement**. Funds can then be requested for areas of need.
- **All schools must be reviewed** at this time for a baseline and for consistency even if you have had a similar review in the past.

Tentative timeline

- April 26 – Department of Safety and Homeland Security officers trained and available to train local teams.
- May – Local training events.
- May/June – School assessments conducted, submitted to departments of Safety and Education.
- June 11 – Safe Schools application released in ePlan.
- July 9 – Recurring and non-recurring allocations released.
- July 16 – Grant application window opens. 10 business day approval turnaround assuming all assessments are conducted and documentation submitted.
- Effective grant start date will be date of grant approval.

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Per Pupil Expenditure by School for FY19

Financial Transparency Requirement

ESSA requires that SEAs report:

“The per-pupil expenditures of Federal, State and local funds, including actual personnel expenditures and actual non-personnel expenditures of Federal, State and local funds, disaggregated by source of funds, for each local educational agency **and each school** in the state for the preceding fiscal year.”

First report – Fall of 2019 for 2018-19 school year.

Financial Transparency Requirement

- Reported on annual state report card
 - Currently report per pupil expenditures by LEA
- New requirement
 - Per pupil expenditures by LEA
AND
 - Per pupil expenditures by school
 - Expenditures broken out by:
 - School level
 - » Federal
 - » State and Local
 - District level
 - » Federal
 - » State and Local

Sample Data

Meeting the basic requirement:

		Central District			Valley District			Charterama LEA
		Maple Elem	Ceder Elem	LEA average	Green School	River Acad.	LEA Average	Charterama school #1
School level	Federal	\$1,101	\$432	\$554	\$301	\$614	\$401	\$1,101
B	S/L	\$8,722	\$7,759	\$7,861	\$5,493	\$7,112	\$6,626	\$11,619
C	Sch total	\$9,823	\$8,191	\$8,415	\$5,794	\$7,726	\$7,027	\$12,720
D	LEA level Federal	\$421	\$421	\$421	\$589	\$589	\$589	\$-
E	S/L	\$4,597	\$4,597	\$4,597	\$5,573	\$5,573	\$5,573	
F	Grand Total	\$14,841	\$13,209	\$13,433	\$11,956	\$13,888	\$13,189	\$12,720

Tennessee's Working Group

- Tennessee Financial Transparency Working Group (FiTWiG)
 - Modeled after national FiTWiG of which we are a part
 - Cross-section of stakeholders
 - State Board of Education
 - TDOE
 - TOSS
 - School districts
 - Charter operators

Tennessee's Working Group

- Met several times in last year to provide input
 - What expenditures to include at school versus district level
 - Data collection
 - Data visualization
 - Questions arising from data presentation
- Pilot project (FY17 expenditures)
 - 13 districts participating in pilot using FY17 expenditures and draft Tennessee formula
 - Data collection complete
 - Beginning to work with formula now

Tennessee's Working Group

- Working group will come together again
 - Analyze results of pilot
 - Recommend changes to
 - Formula
 - Data collection method
 - Data presentation
 - Address any issues that arise during pilot
 - Finalize formula for presentation at spring fiscal workshops

Draft Tennessee Formula

- TDOE has developed one uniform formula to be used to calculate
 - District-level per pupil expenditures
 - School-level per pupil expenditures
- Data will be submitted to TDOE
 - School-level in specific format submitted by districts
 - District-level via year-end financial reports— district-level will be total expenditures less school-level (state/local and federal)
- TDOE will calculate the per pupil expenditures both by district and by school

Formula Components

- Two parts to formula
 - School-level expenditures
 - District-level expenditures

Formula Components

■ School-level

- Salaries of personnel assigned 50 percent or more to a school
- Benefits (employer share) of school personnel:
 - Social Security
 - Medicare
 - TCRS/Retirement
 - Medical insurance
 - Dental insurance
 - Life insurance
 - Other fringe benefits
- Instructional supplies and materials – object code 429
- Utilities
- School nutrition expenditures

Formula Components (school level)

Numerator:

Total dollars attributable to a
specific school

Denominator:

Unweighted student enrollment
of school on Oct. 1 of the fiscal
year being reported (includes
pre-K students)

Formula Components

- System-level expenditures
 - All those that are not attributed to a particular school (numerator)
 - Central Office personnel salaries and benefits
 - 'Traveling personnel' salaries and benefits
 - Office of director of schools
 - School board expenditures
 - Finance
 - Human Resources
 - Maintenance and Operations
 - Transportation
 - All others
- Number of Students (denominator)
 - District enrollment as of Oct. 1

Formula Components (district level)

Numerator:

Total dollars spent district-wide,
minus expenditures attributed
to individual schools, minus
community services, capital
outlay and debt service

Denominator:

Total student enrollment of
district on Oct. 1 of the fiscal
year being reported (includes
pre-K students)

Formula Components

- System-wide expenditures divided by total enrollment results in a per pupil amount for system-wide expenditures
- This per pupil amount is then multiplied by the number of students at each school
- Will be the same for every student in the district

Formula Components

- What will be excluded?
 - Capital outlay
 - Debt Service
 - Community services
 - Privately generated funds

Data Visualization

- Presentation will be key
 - Who is looking at data?
 - What are they looking for?
 - What questions can we anticipate and answer?

School-level Data

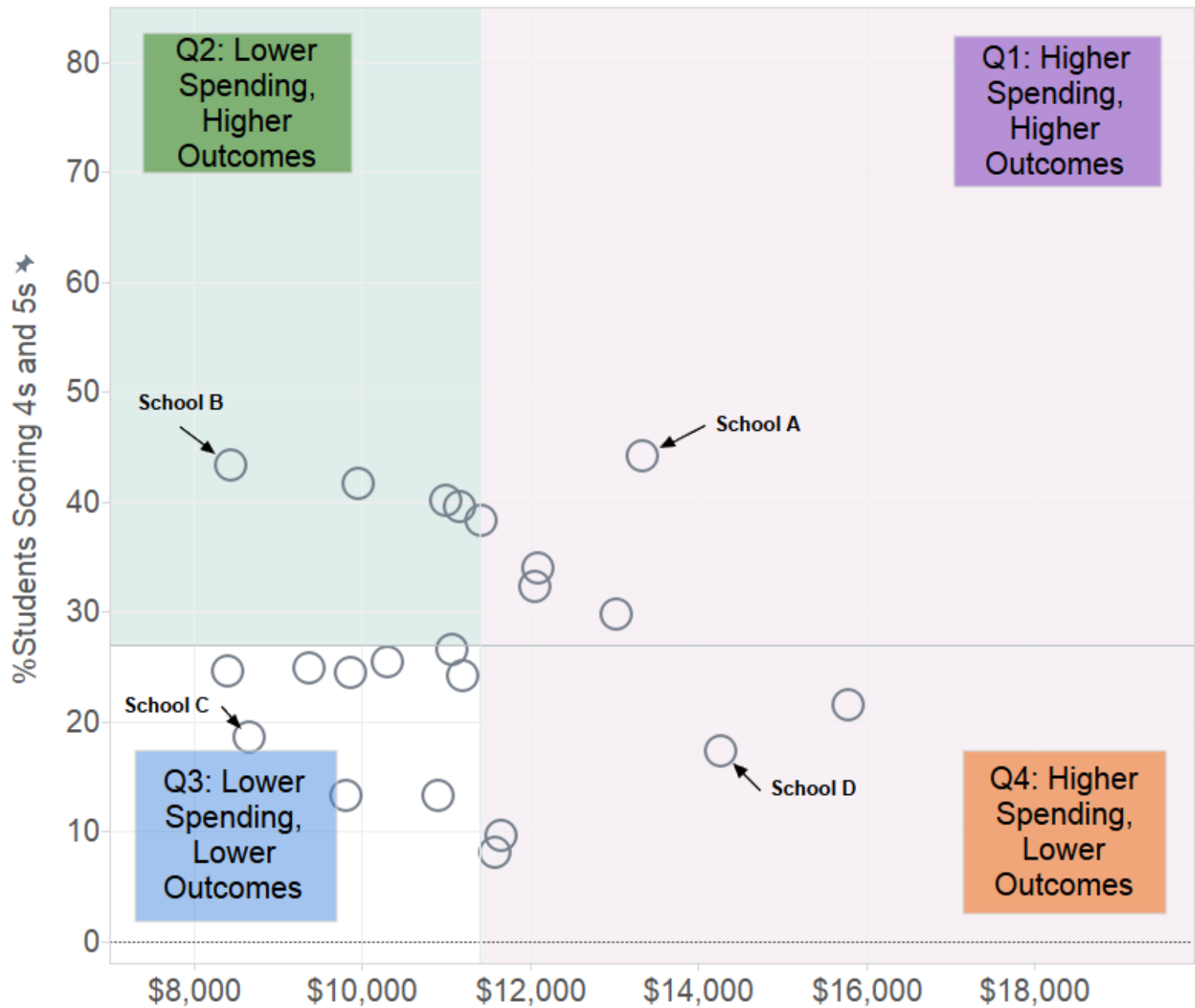
- We will provide additional information on the report card for each school to provide context:
 - Total enrollment
 - Grade span
 - Special education enrollment
 - English Learner enrollment
 - At-risk population
 - Pre-k enrollment
 - Number of teachers
 - JROTC programs
 - CTE programs
 - Other information to be determined

Sample Data

Meeting the basic requirement:

		Central District			Valley District			Charterama LEA
		Maple Elem	Ceder Elem	LEA average	Green School	River Acad.	LEA Average	Charterama school #1
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E	S/L	\$4,597	\$4,597	\$4,597	\$5,573	\$5,573	\$5,573	
F	Grand Total	\$14,841	\$13,209	\$13,433	\$11,956	\$13,888	\$13,189	\$12,720

Schools: \$ Spent by Student vs. Math Score *(circle color is school's Quadrant)*



Communications

- Possible explanations of patterns:
 - High schools
 - Often cost more per pupil than elementary or K-8
 - Higher operations and maintenance and student services costs
 - Small schools, small grade sizes
 - Elementary and K-8 variances often result from school and/or grade size
 - Student needs and program type do not drive the per pupil funding differences to the same degree as in high schools for example
 - Teacher compensation
 - Longevity of teachers
 - Differentiated pay (e.g. additional pay for hard to staff school or subject area)

Communications

- Districts will need to understand why and how patterns happen as this data is made public.
- TDOE will assist districts in identifying causes for variance between schools' per pupil expenditures
- Directors of schools and communications teams will be given information to help in responding to questions from teachers, parents, local governments, etc.

VOLUNTEER SCHOOLS 2016-17 EXPENDITURES BY LOCATION ONLY - NO DISTRICT LEVEL EXPENDITURES INCLUDED HERE

District Code		VOLUNTEER ELEMENTARY	
		School Number 1	Notes
Enrollment October 1		515.00	
Reconfigured or partial year		Yes/No	
Grade Span		K-5	
Special Programs		No	
School Demographics		on current report card	
BY LOCATION: GP AND FED			
	Federal		Fund 142
	Salaries	\$ 102,355.11	
	Benefits	\$ 31,368.11	
	Instructional Supplies	\$ 6,995.46	Object code 429 only
	Other Federal	\$ -	e.g Focus School, School Improvement, PDG, Perkins funds unique to specific school
	Total FEDERAL	\$ 140,718.68	
	Federal per pupil	\$ 273.24	
	State and Local		Funds 141, 144, 145
	Salaries	\$ 2,115,276.50	
	Benefits	\$ 520,550.15	
	Instructional Supplies	\$ 23,965.37	Object code 429 only
	Utilities	\$ 88,082.65	
	Total STATE & LOCAL	\$ 2,747,874.67	
	State & Local per pupil	\$ 5,335.68	
	Total Per Pupil Expenditure	\$ 5,608.92	

BY LOCATION: CAFÉ			Fund 143
	SNP		
	Salaries	\$ 81,815.62	
	Benefits	\$ 20,696.71	
	Total SNP	\$ 102,512.33	
	SNP per pupil	\$ 199.05	
	TOTAL GP, FED, SNP	\$ 2,991,105.67	
	TOTAL GP, FED, SNP Per Pupil	\$ 5,807.97	

Per Pupil Expenditures

		Volunteer Elementary	
School Level	Federal	\$ 273.24	
	State/Local	\$ <u>5,335.68</u>	
	School Total	\$ 5,608.92	
LEA Level	Federal	\$ 142.73	TDOE will calculate
	State/Local	\$ <u>1,082.52</u>	LEA level expenditures
	LEA Total	\$ 1,225.25	
Grand Total		\$ 6,834.17	

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Questions?

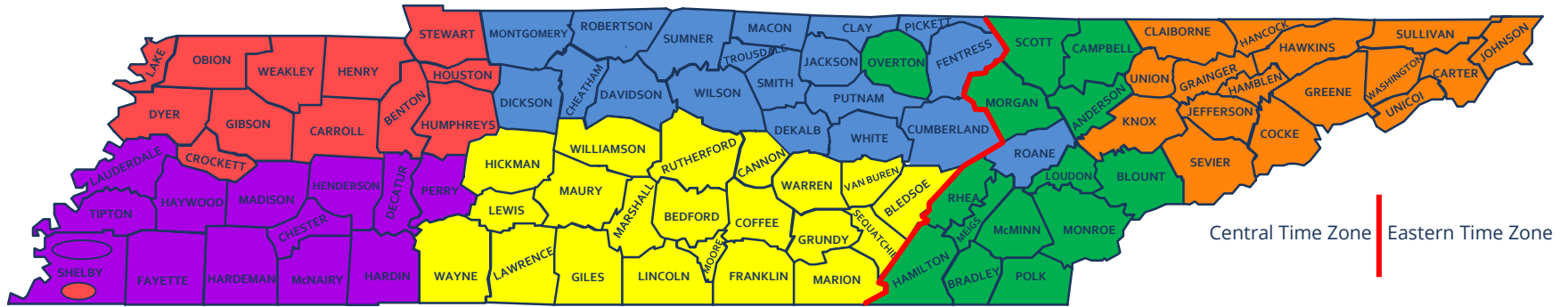
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120 Chester 200 Decatur 240 Fayette 350 Hardeman 360 Hardin 380 Haywood 390 Henderson 391 Lexington (PK-8) 490 Lauderdale 550 McNairy 570 Madison 680 Perry 792 Shelby 793 Arlington 796 Germantown 794 Bartlett 798 Millington 795 Collierville 797 Lakeland 840 Tipton	030 Benton 090 Carroll 092 Hollow Rock- Bruceston 093 Huntingdon 094 McKenzie 095 South Carroll 097 West Carroll 170 Crockett 171 Alamo (PK-6) 172 Bells (PK-5) 230 Dyer 231 Dyersburg City 275 Gibson 271 Humboldt City 272 Milan SSD 273 Trenton 274 Bradford SSD 400 Henry 401 Paris SSD (K-8) 420 Houston 430 Humphreys 480 Lake 660 Obion 661 Union City 810 Stewart 920 Weakley	110 Cheatham 140 Clay 180 Cumberland 190 Davidson 210 DeKalb 220 Dickson 250 Fentress 440 Jackson 560 Macon 630 Montgomery 690 Pickett 710 Putnam 730 Roane* 740 Robertson 800 Smith 830 Sumner 850 Trousdale 930 White 950 Wilson 951 Lebanon SSD (PK-8)	020 Bedford 040 Bledsoe 080 Cannon 160 Coffee 161 Manchester (PK-8) 162 Tullahoma 260 Franklin 280 Giles 310 Grundy 410 Hickman 500 Lawrence 510 Lewis 520 Lincoln 521 Fayetteville 580 Marion 581 Richard City 590 Marshall 640 Maury 640 Moore 750 Rutherford 751 Murfreesboro (PK-6) 770 Sequatchie 880 Van Buren 890 Warren 910 Wayne 940 Williamson 941 Franklin SSD (PK-8)	010 Anderson 011 Clinton (PK-6) 012 Oak Ridge 050 Blount 051 Alcoa City 052 Maryville 060 Bradley 061 Cleveland 070 Campbell 330 Hamilton 530 Loudon 531 Lenoir City 540 McMinn 541 Athens City (PK-9) 542 Etowah City (K-8) 610 Meigs 620 Monroe 621 Sweetwater (PK-8) 650 Morgan 670 Overton* 700 Polk 720 Rhea 721 Dayton City (PK-8) 760 Scott 761 Onieda	100 Carter 101 Elizabethton 130 Claiborne 150 Cocke 151 Newport City (K-8) 290 Grainger 300 Greene 301 Greeneville 320 Hamblen 340 Hancock 370 Hawkins 371 Rogersville (K-8) 450 Jefferson 460 Johnson County 470 Knox 780 Sevier 820 Sullivan 821 Bristol 822 Kingsport 860 Unicoi Co 870 Union Co 900 Washington 901 Johnson City
960 West TN School for Deaf	985 ASD	970 Dept of Children's Serv. 971 Dept of Corrections 963 TN School for the Blind 961 York Institute (9-12)			964 East TN School for Deaf
		* Dustin Winstead, Fiscal		* Rob Mynhier, Fiscal	

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Districts and schools in Tennessee will exemplify excellence and equity such that all students are equipped with the knowledge and skills to successfully embark on their chosen path in life.

Excellence | Optimism | Judgment | Courage | Teamwork

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1-800-232-5454

Notifications can also be submitted electronically at:

<http://www.comptroller.tn.gov/hotline>